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IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION

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Quarterly Status Report

Update from the Iowa Telecommunications and Technology Commission (ITTC) regarding sale or lease of the network pursuant to House File 45 – due to legislature on or before July 1, 2012.

Progress Made: (Actions completed after April 1, 2012)

- All Requests for Proposals (RFP) Assumptions, as defined by the RFP Implementation Team (RIT), were finalized, documented and presented to the ITTC for review and approval.
- The detailed RFP Project plan has been updated. *Please note:* Due to project advancement (i.e.: Broadband Technology Opportunities Program (BTOP)), some tasks may require additional modification. The summary outline is as follows:

Task Name (* = Completed)	Finish
Identify RFP Implementation Team (RIT) members	*10/30/11
RFP Implementation Team (RIT) organization	*11/1/11
Release RIT meeting schedule	*11/10/11
RIT Meeting #1	*11/14/11
RIT Meeting #2	*11/21/11
RIT Meeting #3	*11/28/11
RIT Meeting #4	*12/5/11
RIT Meeting #5	*12/12/11
Prepare Assumption documentation	*1/17/12
ITTC Assumption presentation	*1/19/12
Assumption proofing	*1/31/12
Project plan creation	* 3/1/12
Prepare RFP	1/2/13
Begin data collection and documentation	*3/1/12
Locate and define all ICN colocation sites	*3/15/12
Identify and document all rights-of-way	*4/15/12
Identify and document all contracts	*5/15/12
Veto of legislation requiring an independent audit of the ICN by Governor Branstad	*6/7/12
Identify and document all owned and leased equipment and assets (*see below)	7/2/12
Identify and document all licenses and necessary approvals	7/2/12
Document Network specifications	7/2/12
Prepare Opportunity Overview document	8/15/12
Complete all sales parameter definitions	9/3/12
Prepare and document financials	9/17/12
Complete all lease parameter definitions	10/1/12
Complete definitions of transaction terms, conditions and mandatory requirements	10/15/12
Complete definitions of offer or qualifications	10/19/12
Complete all bidder instructions	10/30/12
Prepare privatization data room and website	11/1/12
Finish privatization data room and website	11/15/12
Complete RFP	12/3/12
Reviews and edits complete	1/3/13
IGOV DRAFT review	2/5/13
RFP release	2/6/13
RFP response	3/20/13

Iowa Telecommunications and Technology Commission's House File 45 July 1, 2012 Status Report

Prospective Bidders' Conference	2/15/13
RFP analysis	5/20/13
IGOV determination	6/28/13

** **Identify and document all owned and leased equipment and assets.** This task will be completed by July 2, 2012. Updates are being made to the Asset System software. The updated software will allow information pertaining to ICN technical and financial assets to be collected more quickly and efficiently.*

- FiberUtilities Group and ICN personnel, in conjunction with the Attorney General's office, have determined there is, currently, no on-going seller litigation that may affect the Sale/Lease RFP.
- All software, intellectual property and other intangibles to be transferred have been identified and confirmed.
- ICN employee job descriptions and salaries have been documented and cataloged.
- All rights-of-way, formal and informal have been identified and cataloged. Transferability issues are being determined.
- ICN contracts have been identified and documented.
- Governor Branstad has vetoed legislation (SF 2316) requiring an independent audit of the ICN.

Milestones: (Anticipation of milestones moving forward)

- Data collection for RFP preparation is ongoing including all leased and owned assets, network structure, contracts and employee data.
- Network capabilities including owned IRUs (Indefeasible Rights of Use), leased network and finished services and BTOP upgrades will be identified and documented.
- Completion of all Sale/Lease parameter definitions including all conditions, assumptions, mandatory requirements, and payment terms for sale or lease.
- Document historical cash flow, revenue, gross profits, SG & A (Selling, General and Administrative Expense) and cash holdings.
- Virtual and physical bidders' libraries will be determined and developed.

For additional information about RIT meetings, meeting notes, the assumptions list, RFP progress and other documents, visit: <http://www.icn.state.ia.us/ittc/RFPImplementationTeam>.

For questions contact:

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